

INCLUSIVE GROWTH AND ORGANIC FARMING IN SHIMOGA DISTRICT OF KARNATAKA

E. THIPPESWAMY

Department of Economics, Field Marshal K. M. Cariappa College, Madikeri Kodagu (District), Karnataka, India

ABSTRACT

Inclusive growth focuses on productive employment rather than on direct income redistribution, as a means of increasing income for excluded groups. The needy and poor people can also feel the fruits of economic growth. Hence, the inclusive growth implies participation in the process of growth and sharing of benefit from growth. A key challenge for India is to make its agricultural sector more productive and more sustainable. In the last two decades, agriculture-related growth has been much slower than in non-agricultural sectors, contributing to the widening of inequality. In order to increase the growth in agricultural productivity, the government of Karnataka has implemented the organic farming policy and meeting the diversified needs of the community. In this context, this study has undertaken to analyse the inclusive growth and organic farming with special reference to Shimoga district of Karnataka. The results of the study indicated that the majority of the farmers who adopted the organic farming are belonging to middle age group. Organic farming is more attractive among educated respondents than the uneducated. It is evident that the educated respondents are more conscious about food and agro ecosystem thereby farmers with higher level of knowledge adopt the resource conserving and environmental friendly organic farming. It is fact that the upper caste people are more awareness about the negative effects of high external input based and unsustainable inorganic farming hence large proportion of upper caste farmers switching over to organic farming than the lower caste farmers. Large farmers are relatively more inclination towards the organic farming compared to the small farmers. Finally, there is no much difference between organic and inorganic respondents' families with respect to their distribution across the different size category. Adoption of organic farming system is nothing to do with the family size of the respondents.

KEYWORDS: Inclusive Growth, Organic Farming, Inorganic Farming, Marginalised and Sustainability

INTRODUCTION

Background

Inclusive growth implies that the economy should not only maintain the tempo of growth but also spread the benefits of growth to all sections of the population and geographical regions of the country. Common Minimum Programme of the United Progressive Alliance (UPA) Government in India has focused on inclusive growth, on making the benefits of growth and income improvements available to all citizens. A key challenge for India is to make its agricultural sector more productive and more sustainable. Agriculture still accounts for 17 percent of India's GDP and about half of total employment. Two-thirds of India's population depends on agriculture and related activities for their livelihood. In the last two decades, agriculture-related growth has been much slower than in non-agricultural sectors, contributing to the widening of inequality. This stems mainly from modest growth in total factor productivity (TFP) and in particular weak labour productivity (OECD, 2012). Though the economy has been growing at over 8.5 percent in the last six years, the real incomes from agriculture are going down. Given high asset values for real estate, inadequate support prices and rising costs of inputs, agriculture is becoming nonremunerative (S. Narayan). Exclusion continued in terms of

low agriculture growth, low quality employment growth, low human development, rural-urban divides, gender and social inequalities, and regional disparities etc. During the sixties and the seventies, India moved from being a food deficit country to self-sufficiency in food grains, even considering the rapid growth in population. However, the agriculture has grown very slowly from the Ninth Plan onwards and this has widened the rural-urban divide and contributed to the severe distress in rural areas in some regions.

One of the Elements of Inclusive Growth is agriculture and concerns in agriculture are deceleration in growth from 3.5 percent during 1981-97 to 2 percent during 1997-2005(Mahendra.S). Decline in yield growth, worse still growth of foodgrains output fell short of population growth over this period. This led to rising rural distress and farmers' suicides. Land and water problems, vulnerability to world commodity prices, 45 percent of farmers want to leave agri but nowhere to go. The growth rate declined more in rainfed areas and a major weakness in the economy is that the growth is not perceived as being sufficiently inclusive for many groups, especially Scheduled Castes (SCs), Scheduled Tribes (STs), and Minorities. It is important to include elements of technology training and introduction to new practices, to improve farm efficiencies and productivity. At present, the government of Karnataka has implemented the organic farming policy for meeting the diversified needs of the community. Diversification of agriculture is a great opportunity for small farmers to increase income and employment. In this background, the study has undertaken for focusing the inclusive growth and organic farming with special reference to Shimoga district of Karnataka.

OBJECTIVES OF THE STUDY

The following specific objectives set for the study

- To know the concept of inclusive growth.
- To analyze the organic farming in the context of inclusive growth.

Methodology of the Study

The study is based on both the secondary and primary data. Relevant secondary data required for the study have been collected from the scholarly articles published in journals, government reports, bulletins, organic farming association, NGOs engaged in promotion of organic farming in Shimoga district, published and unpublished thesis. Primary data collected through the field survey conducted during 2012-2013 in Shimoga district. The total 420 farmers were randomly selected for the study. Of these 420 farmers, 210 respondents are organic and remaining 210 are inorganic farmers were selected for collecting data. The farmers who practicing organic farming with the use of organic, biodynamic, or natural inputs in crop growing are called organic farmers. Inorganic farmers are those farmers who apply the chemical fertilizers and pesticides along with or without organic inputs in the process of crop production are termed as inorganic farmers. This is a micro level study confined to the Shimoga district with respect to inclusive growth and organic farming.

RESULTS AND DISCUSSIONS

In the following section, the result of the study has been presented. Keeping in view of the objectives of the study, the data collected from different sources were analysed by employing appropriate simple techniques.

Concept of Inclusive Growth

The term, inclusive growth, is finding its way increasingly in the lexicon of government leaders, economists,

planners, academicians and businesspersons, not just in India but even internationally. India needs inclusive growth in order to attain rapid and disciplined growth. Inclusive growth is necessary for sustainable development and equitable distribution of wealth and prosperity. Inclusive growth as a strategy of economic development should not only aim at equitable distribution of growth benefits but also at creating economic opportunities along with equal access to all. As per the Planning Commission of India “The term “inclusive” should be seen as a process of including the excluded as agents whose participation is essential in the very design of the development process and not simply as welfare targets of development programmes.”

World Bank (2006) described the inclusive growth, inclusive growth is “the only sure means for correcting the deeply ingrained regional imbalances, inequities and for consolidating economic gains”, as inclusive growth is the growth “with emphasis not only on the distribution of economic gains but also on the security, vulnerability, empowerment, and sense of full participation that people may enjoy in social life”. Inclusive growth is, however, not new, though it seems to be a new concept. The Oxford Dictionary defines inclusive growth as growth that “does not exclude any section of society.” It is similar to the development strategies such as “growth with justice”, “growth with equity”, “growth with distribution”, “growth with a human face”, “pro-poor growth”, etc, suggested by many starting with Dadabhai Naoroji in the beginning of the 20th century, and attempted at one point of time or the other by many countries during the last 50 years. The new mantra is now at the heart of mainstream development economics [Ali 2007]. Inclusive growth is expected, like the above-mentioned earlier development strategies to focus on the poor, the marginalised, the neglected, the disadvantaged and deprived sections of the society, and the backward regions of the country. An added dimension of the new development strategy also includes linking growth to the quality of basic services like education and healthcare.

The United Nations Development Programme (UNDP) has defined ‘inclusive growth’ in the following terms, “the process and the outcome where all groups of people have participated in the organization of growth and have benefited equitably from it. Thus inclusive growth represents an equation – with organization on the left hand side and benefits on the right-hand side.”

Indian Prime Minister Manmohan Singh notes that his government recognizes that high national income growth alone does not address the challenge of employment promotion, poverty reduction and balanced regional development. Nor does growth in itself improve human development. Consequently, all the major initiatives of his government in agricultural and rural development, in industry and urban development, in infrastructure and services, in education and health care sought to promote inclusive growth. According to Singh, the key components of the inclusive growth strategy included a sharp increase in investment in rural areas, rural infrastructure, and agriculture spurt in credit for farmers increase in rural employment through a unique social safety net and a sharp increase in public spending on education and health care (Puthenkalam, 2013).

In view of the above, inclusive growth can be observed from long-term perspective as the focus is on productive employment rather than on direct income redistribution, as a means of increasing income for excluded groups. Thus, the progress towards inclusiveness is more difficult to assess, because inclusiveness is a multidimensional concept. Inclusive growth should result in lower incidence of poverty, broad based and significant improvement in health outcomes, universal access for children to school, increased access to higher education and improved standards of education, including skill development. It should also be reflected in better opportunities for both wage employment and livelihood, and in improvement in provision of basic amenities like water, electricity, roads, sanitation and housing. Particular attention needs

to be paid to the needs of the SC, ST, and OBC population. The needy and poor people can also feel the fruits of economic growth. Hence, the inclusive growth implies participation in the process of growth and sharing of benefit from growth.

Organic Farming in the Context of Inclusive Growth

In a state where more than three-fourths of the workforce is dependent on the farm sector for livelihood hence, the agriculture is evidently the mainstay of the economy. The Indian economy has undergone structural transformation from an agriculture-based to knowledge-based services and industrial economy but the agriculture sector is still the mainstay as about half of India's population is wholly or significantly dependent on agriculture and allied activities for their livelihood (GoI, 2011). Important structural changes are under way in agriculture and in the economy in general. The higher disposable income levels, increasing urbanization, changing demographics and lifestyles, and increase in availability of food have been accompanied by changes in the composition of diet. According to Bennett's Law, as per capita incomes rise, consumers diversify their diets and demand high-value products such as fruits and vegetables, livestock products, processed food, beverages, and relatively less staple foods. They also demand better quality and safer products, and more processed and ready to eat or ready to cook foods (Vijay Paul Sharma 2012). Moreover, the demand for organic food has been increasing not only in India even all over the world. There is a widespread belief that organic food is substantially healthier and safer than inorganic food and consumers are willing to pay significant price premium to obtain it. Organic agriculture uses almost exclusively biological and natural materials and processes to produce food. The practice aims to protect human health and conserve or enhance natural resources, with the goal to preserve the quality of the environment for future generations while being economically sustainable. Hence, the farmers are converting to organic methods for a variety of reasons but the most important have to do with a general unease with the health and environmental impacts of conventional practice, increasing disease and pest problems and the expectation that organic farming methods may be more profitable (Blosbaum, 1983; United States GAO, 1990; MacRae et al. 1990).

Organic agriculture is expanding in all over the world to meet increasingly consumer demand. Karnataka state is also bestowed with divergent climatic and soil types spread across agro climatic zones. The physical features of Karnataka include coastal plains, Western Ghats and plateau enabling it to grow a variety of crops. The state is also known for its excellence in horticultural crops and animal husbandry (Government of Karnataka, 2004). In addition, many farmers of the state are pioneers in organic agriculture and have developed many different systems of cultivation through indigenous knowledge base. They have developed their own methods of using organic wastes and developed holistic pest control agents to control pests and diseases. There are ample opportunities for promotion of organic farming in Karnataka. The Government of Karnataka, therefore, adopted an appropriate strategy for speed up the organic farming programme in the state wide. The Shimoga district in Karnataka is ahead in adopting the organic farming than any other districts in the state. In this background, the Shimoga district has been selected for the study to analyse the inclusive growth and organic farming.

Socio-Economic Features of Organic and Inorganic Farmers

Socio-economic features of the farm families in general and heads of the families in particular influence their farming practices in growing a crop and the level of their crop yield. Hence, socio-economic features that are relevant to crop production and adoption of organic farming decision were chosen for the analysis.

Age is one of the important demographic features of the respondents which will influence on the decision making style in farming practices. The age of the respondents ranges from 22 to 82 years and thus respondents have been categorized under three groups viz young farmers (<35 years), middle aged farmers (35-60 years) and old age farmers (>60 years). Frequency distribution of the farmers across the different age groups is given in table 1. Majority of the farmers in the overall category are belonging to the middle age followed by the young age. Middle age farmers accounts for the 63.8 percent of the total respondents whereas it was 24.3 and 11.9 percent of the farmers are young and old age farmers' respectively. The disaggregated data with respect to middle age farmers for the organic and inorganic farmers is 69.1 and 58.6 percentage respectively. Hence, the results of the study indicate the fact that the majority of the farmers who adopted the organic farming are belonging to middle age group.

Education is a key indicator of the knowledge level of the respondents which in turn will influence on the decision making process in the adoption of farming practices. Respondents with higher level of education will be the pioneers in the adoption of innovative farming practices. Therefore, data on the education level of the respondents has been collected and the results are given in the table 1. The education status of the respondents has been mainly classified into three categories viz. the respondents with primary, secondary and college education. The highest percentage of the respondents was having the education up to the college level (32.4) and it was followed by the primary (32.1) and then secondary education (7.1) in the overall category. Organic farming respondents found to be having relatively higher level of education in the district. Respondents with college level of education are considerably more among the organic farmers (45.2) compared to the inorganic farmers (19.5). Similar difference could be found in the secondary education also. In the uneducated and primary education category, the percentage of respondents is more among inorganic farmers compared to their counterparts in the organic farmers. Thus, it could be inferred that the education level of the respondents influence the adoption of organic farming system. Organic farming is more attractive among educated respondents than the uneducated. It is evident that the educated respondents are more conscious about food and agro ecosystem thereby farmers with higher level of knowledge adopt the resource conserving and environmental friendly organic farming.

Caste is one of the indicators of social status of an individual. It influences on decision-making status of an individual. Therefore, data has been collected from the respondents about the caste status of their family and given in table 1. The caste of the respondents has been mainly categorized into three groups SC&ST, OBC and General category. SC&ST are clubbed due to few numbers of respondents among ST category and SC category mainly comprises Adi Karnataka, Bhovi, Lambani and Others. ST comprises of only Nayaka community people. OBC it includes Lingayath, Okkaligas, Edigas Kuruba, Bhants, Maratas mainly these community peoples and General mainly comprises of Brahmins community people. The distribution of organic and inorganic respondents across the different categories is given separately and pooling of these two indicate overall category. In the overall category out of 420 total respondents, 300 are found to be belonging to OBC followed by 74 are belonging to General and 46 are belonging to SC&ST category. The significant feature of results is that general category respondents accounts for higher share among the organic farmers (31%) compare to their share is relatively less in inorganic farming group (4.3%) whereas SC and ST category people accounts for higher percentage in the inorganic farming (17.1%) group compare to the organic farming (4.3%) group. It indicates that the caste is arranged hierarchical order the higher community people more inclination towards organic farming compared to the backward people like SC and ST. The most important finding of this result is that higher community people more inclinational towards organic farming and backward people like SC and ST still they are practicing inorganic farming. Thus, it is fact that the upper caste people are more awareness about the negative effects of high external input based and

unsustainable inorganic farming hence large proportion of upper caste farmers switching over to organic farming than the lower caste farmers.

Table 1: General Information of the Respondents and Their Households

Sl. No.	Particulars	Socio-Economic Features of Organic Farmers		
		Organic Farmers	Inorganic Farmers	Overall
1	Age Group			
	i) Young Farmers(<35 Years)	42(20.0)	60(28.6)	102(24.3)
	ii) Middle Age Farmers (35-60 Years)	145(69.1)	123(58.6)	268(63.8)
	iii) Old Age Farmers (60> Years)	23(10.9)	27(12.8)	50(11.9)
	Total	210(100.0)	210(100.0)	420(100.0)
2	Education Level			
	i) Uneducated	03(1.4)	27(12.9)	30(7.1)
	ii) Primary Education	43(20.5)	92(43.8)	135(32.1)
	iii) Secondary Education	69(32.9)	50(23.8)	119(28.4)
	iv) College Education	95(45.2)	41(19.5)	136(32.4)
	Total	210(100.0)	210(100.0)	420(100.0)
3	Caste			
	i) SC and ST	10(4.7)	36(17.1)	46(11.0)
	ii) OBC	135(64.3)	165(78.6)	300(71.4)
	iii) General	65(31.0)	09(4.3)	74(17.6)
	Total	210(100.0)	210(100.0)	420(100.0)
4	Size of Landholdings			
	i) Small Farmers	92(43.8)	128(61.0)	220(52.4)
	ii) Large Farmers	118(56.2)	82(39.0)	200(47.6)
	Total	210(100.0)	210(100.0)	420(100.0)
5	Size of Family			
	i) Small Family	97(43.2)	95(45.2)	192(45.7)
	ii) Medium Family	99(47.1)	103(49.1)	202(48.1)
	iii) Large Family	14(6.7)	12(5.7)	26(6.2)
	Total	210 (100.0)	210(100.0)	420(100.0)

Figures in Parenthesis are Percentage to Total

In rural economy, land is one of the important socio-economic indicators. Size of land holding influences the cropping pattern, farming practices and adoption of modern technology. Data relating to the size of land holdings has been collected from the respondents. Based on the size of land holdings the sample respondents have been broadly categorized into small farmers (< 2 hectares) and large farmers (>2 hectare). The frequency distribution of respondents across the different land holding category is presented in the table 1. In the overall size category, 52.4 percent of respondents are in small size category and the remaining 47.6 percent are in large category. Considerably higher percentage of organic respondents (56.2%) is in the large size holdings compared to the inorganic respondents (39%). Small size of holding is relatively more among the inorganic respondents (61%) compared to the organic respondents (43.8%). Large farmers are relatively more inclination towards the organic farming compared to the small farmers.

Size and composition of family is one of the important demographic features that could influence on the farming practices. Data relating to number of members in the family has been collected from the respondents. The size of respondents family has been classified into three categories viz. small family (<4 members), medium family (between 5 to 8 members) and big family (>9 members). The frequency distribution of respondents' families across the different size of

families' is given in the table 1. The overall zone category is the pooled data of organic and inorganic farming respondents' families. In the overall zone category majority of the respondents are belonging to medium families (202) followed by small (192) and large families (26). There is no much difference between organic and inorganic respondents' families with respect to their distribution across the different size category. Adoption of organic farming system is nothing to do with the family size of the respondents.

CONCLUSIONS

Inclusive growth focuses on productive employment rather than on direct income redistribution, as a means of increasing income for excluded groups. The needy and poor people can also feel the fruits of economic growth. In the last two decades, agriculture-related growth has been much slower than in non-agricultural sectors, contributing to the widening of inequality. The government of Karnataka has implemented the organic farming policy for meeting the diversified needs of the community. Organic farming policy intent is to encourage the small and marginal farmers for adopting the organic farming. It is found in the study area that the majority of the farmers who adopted the organic farming are belonging to middle age group. Organic farming is more attractive among educated respondents than the uneducated. It is evident that the educated respondents are more conscious about food and agro ecosystem thereby farmers with higher level of knowledge adopt the resource conserving and environmental friendly organic farming. It is fact the upper caste people are more awareness about the negative effects of high external input based and unsustainable inorganic farming hence large proportion of upper caste farmers switching over to organic farming than the lower caste farmers. Large farmers are relatively more inclination towards the organic farming compared to the small farmers. Finally, there is no much difference between organic and inorganic respondents' families with respect to their distribution across the different size category. Therefore, organic farming is excluded the backward people like schedule caste, schedule tribe and minorities.

REFERENCES

1. Ali, Ifzal (2007): 'Pro-Poor to Inclusive Growth: Asian Prescriptions', EDPR Policy Brief No 48, Asian Development Bank, Manila.
2. Blobaum, R., 1983, "Barriers to Conversion to Organic Farming Practices in the Midwestern United States." In W. Lockeretz ed., *Environmentally Sound Agriculture*. Praeger, New York. pp263-278.
3. Government of India (2011), *Faster, Sustainable and More Inclusive Growth: An Approach to the 12th Five Year Plan (2012-2017)*, Planning Commission, New Delhi: Government of India.
4. John Joseph Puthenkalam (2013) "Indian Economic Policies towards Inclusive Growth" *Sophia Economic Review* 58 2013.
5. MacRae, R., S.Hill, G.Mehuys, and J. Henning (1990), "Farm-Scale Agronomic and Economic Conversion from Conventional to Sustainable Agriculture." *Advances in Agronomy*. 43:155-198. OCTOBER 2012, www.oecd.org/india, OCDE Paris 2, rue André Pascal, 75775 Paris Cedex 16.
6. Mahendra Dev.S, "Inclusive Growth in India: Policies, Prospects and Challenges", Presented at UN-ESCAP/MPDD Development Seminar Series, Chairman, The Commission for Agricultural Costs and Prices (CACP), Government of India

7. Narayan.S, “India’s Economy: Constraints to Inclusive Growth’, ASIAN JOURNAL OF PUBLIC AFFAIRS VOL. 2 NO. 1
8. OECD “Better Policies” Series, INDIA SUSTAINING HIGH AND INCLUSIVE GROWTH
9. United States General Accounting Office. (1990), “Alternative Agriculture: Federal Incentives and Farmers’ Opinions”. GAO/PEMD-90-12. US General Accounting Office. Washington, February.
10. United Nations Development Programme (UNDP) , 2008; p. 2.
11. Vijay Paul Sharma (2012), “Accelerating Agricultural Development for Inclusive Growth: Strategic Issues and Policy Options” Vikalpa volume 37, No 1, January - March 2012
12. World Bank (2006), “India: Inclusive Growth and Service Delivery: Building on India’s Success”, Development Policy Review, Report No 34580-IN, Washington DC.